

Department of Social and Health Services

DP Code/Title: PL-EK Adult Day Health Eligibility Asses

Agency Wide

There are 3 Programs in this DP

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

Recommendation Summary Text:

Program(s): 040

As a result of changes relating to WAC 388-71, the Division of Developmental Disabilities (DDD) case managers will be required to perform eligibility reassessments for all the division's Adult Day Health (ADH) participants once during the first year and twice every following year.

Program(s): 050

Funding is requested to allow eligibility determinations for Adult Day Health (ADH) Services to be made by Aging and Adult Services Administration (AASA) Home and Community Services (HCS) staff and Area Agency on Aging (AAA) field workers, rather than by service providers as is current practice. This change is expected to result in savings due to controlling growth in ADH caseload.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	108,000	8,000	116,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	110,000	12,000	122,000
Total Cost	218,000	20,000	238,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	6.7	5.8	6.3

Package Description:

Program(s): 040

The Department of Social and Health Services rules are being changed to require that the department, not ADH providers, assess client eligibility for services. The department will also reassess its ADH clients twice a year. The intent is to control and reduce ADH program costs by assuring that all program participants are eligible for the service.

As a result of changes relating to WAC 388-71, DDD case managers will be required to perform eligibility reassessments for all the division's ADH participants once during the first year and twice every following year.

Program(s): 050

The ADH program provides rehabilitative services to help participants become more self-sufficient, and provides support and counseling to families caring for a mentally, physically, socially, and/or emotionally impaired family member, thereby preventing or delaying entrance into 24-hour care or reducing the length of stay in such care. These services are provided by contract with local providers or through AAA caseworkers that subcontract with local providers.

Historically, ADH providers have determined eligibility for Medicaid-funded ADH services by conducting their own needs assessment and developing their own plan of service for potential participants. Currently 70 percent of ADH clients are also assessed and receive services from an HCS or AAA caseworker - not necessarily in coordination with ADH services.

Regulations are currently being developed that will change the eligibility determination process for ADH services, making it more consistent with other community-based services authorization. As with other services, HCS or AAA staff, independent of the providers, would authorize ADH services and incorporate ADH into their service plans.

Narrative Justification and Impact Statement

How contributes to strategic plan:

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Program(s): 040

Goal 1 - DDD will effectively and efficiently use resources to accomplish the values, principles, and the mission of DDD while maintaining accountability for public and client safety and authorized resources.

Program(s): 050

This proposal will enhance the department's ability to manage its programs effectively by ensuring consistent application of eligibility rules and assuring ADH services are provided in concert with the overall package of services supporting a particular client.

Performance Measure Detail

Program: 040

Goal: 06D Effectively/efficiently use resources to accomplish values/principals/ mission

Incremental Changes

FY 1 FY 2

Output Measures

6DG	Conduct eligibility reassessments for Adult Day Health services for those individuals receiving services.	208	416
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Program: 050

Goal: 03E Budget Performance and Economic Value

Incremental Changes

FY 1 FY 2

Efficiency Measures

7ED	Monthly average cost per long-term care client.	.29	-.10
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Reason for change:

Program(s): 040

ADH program expenditures are rising beyond the budget appropriated by the Legislature. The Aging and Adult Services Administration (AASA) policy for the ADH program has determined that a significant number of ADH clients may not meet program eligibility standards for this Medicaid State Plan service.

Program(s): 050

ADH program expenditures continue to rise beyond the budget appropriated by the Legislature. Consistent application of eligibility rules and maximum coordination of public resources are part of the steps necessary to keep the program on target.

Impact on clients and services:

Program(s): 040

The impact to DDD clients is unknown. Some current clients may be found to be ineligible for ADH services.

Program(s): 050

By the start of the 2003-05 Biennium, it is anticipated the new rules that require independent eligibility determination will have been in place for nine months. It is projected that up to 25 percent of the participants reviewed by that time will have been determined ineligible. Approximately 1,432 ADH clients will require ongoing management by HCS and AAA caseworkers. Clients who are eligible for services should see enhanced coordination of care. Those who are terminated from the program will be directed to more suitable forms of care.

Impact on other state programs:

Program(s): 040

AASA will do all initial assessments, including DDD clients, for ADH service applicants.

Program(s): 050

Community Options Program Entry Services (COPES) clients who are ineligible for ADH may be eligible for Adult Day Care under COPES, thereby increasing the cost of that program.

Relationship to capital budget:

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Program(s): 040 050

None

Required changes to existing RCW, WAC, contract, or plan:

Program(s): 040

AASA is pursuing needed WAC changes.

Program(s): 050

WAC changes are pending.

Alternatives explored by agency:

Program(s): 040

The alternative for controlling the ADH budget without better management of eligibility is an across-the-board reduction in service which would have disproportionate effects on the most needy clients.

Program(s): 050

The alternative for controlling the ADH budget without better management of eligibility is an across-the-board reduction in service, which would have disproportionate effects on the most needy clients.

Budget impacts in future biennia:

Program(s): 040

Costs will continue and vary according to the number of individuals receiving this service and being assessed. These costs are potentially offset by the savings that would result from reducing ADH placements.

Program(s): 050

These costs and savings will carry into future biennia.

Distinction between one-time and ongoing costs:

Program(s): 040

There are minor one-time costs associated with the new FTEs such as equipment purchases. All other costs are ongoing.

Program(s): 050

These are ongoing costs.

Effects of non-funding:

Program(s): 040

DDD cannot guarantee timely completion of required reassessments within current staffing levels. Continuing the risk of ineligible applicants being approved for ADH services may result in over expenditures.

Program(s): 050

The alternatives are continued cost growth or across-the-board service reductions.

Expenditure Calculations and Assumptions:

Program(s): 040

There are currently 175 DDD clients in ADH programs and AASA is projecting growth to 208 DDD clients. Staffing estimates are based on a total of 208 DDD clients receiving ADH services. The initial assessment will be done by AASA. All reassessments will be done by DDD case managers. One reassessment will be required for each client during the first fiscal year. The required reassessments will take 624 hours of staff time to complete, or 6/10th of an FTE, assuming three hours per reassessment. Each year thereafter will require two reassessments that will total 1,248 hours of staff time, or 1.2 FTEs.

Calculations and assumptions are based on the model used in AASA's decision package.

See attachment - DDD PL-EK Adult Day Health Eligibility Asses.xls

Program(s): 050

See attachment - AASA PL-EK Adult Day Health Eligibility Asses.xls

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<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	309,000	270,000	579,000
B Employee Benefits	74,000	65,000	139,000
E Goods And Services	130,000	80,000	210,000
G Travel	8,000	9,000	17,000
N Grants, Benefits & Client Services	(303,000)	(404,000)	(707,000)
Total Objects	218,000	20,000	238,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	108,000	8,000	116,000
<i>Total for Fund 001-1</i>	108,000	8,000	116,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources</u> <u>Title</u>			
19TA Title XIX Assistance (FMAP)	(403,000)	(452,000)	(855,000)
19UL Title XIX Admin (50%)	513,000	464,000	977,000
<i>Total for Fund 001-C</i>	110,000	12,000	122,000
Total Overall Funding	218,000	20,000	238,000

Funding Totals by Program

Dollars in Thousands

	<u>FTE's</u>		<u>GF-State</u>		<u>Total Funds</u>	
<u>Program</u>	<u>FY 1</u>	<u>FY 2</u>	<u>FY 1</u>	<u>FY 2</u>	<u>FY 1</u>	<u>FY 2</u>
040 Div of Developmntl Disab	0.6	1.2	31	51	50	83
050 Long Term Care Services	6.1	4.6	77	(43)	168	(63)
150 Info SYS Svcs Div	0.0	0.0	0	0	0	0
Grand Total:	6.7	5.8	108	8	218	20